



uzio The Internet Store, Inc.
ific Ave, Santa Cruz, CA 95060

To the Commisioners of the Federal Communications Commission,

Cruzio is an independent Internet Service Provider with 10,000 customers. We apologize for submitting comments late and respectfully ask the commission to read what we have to say despite our lack of lawyerly expertise. It is difficult for us both to run our business and keep abreast of regulatory events.

You have asked about the effects of FCC policy on our industry. Regulatory and legal changes to the Internet in the last few years have seriously restricted our access to public utility lines, harming the competitiveness of small, innovative companies—not only Internet providers like ourselves but also countless small business customers who depend on us.

In recent years AT&T's wholesale circuit costs to Cruzio have often been more than their retail price. We have no other supplier; cable companies are not required to sell to us at all. Our community wishes to minimize wire installations and wireless signals, perceived as a health issue. **If every Internet provider needs a unique access into the home how many different entry points would every home need to have before there was real competition?**

The increasing lack of access rights is killing competition in the Internet industry. We are only kept alive now by the agreements imposed by the FCC in the telecomm mergers, which run out in 2010. After that we, and most independent ISPs, will probably be forced out of business. We are already being denied access to the fastest infrastructure for the first time in 18 years.

Competition is best achieved through a minimal amount of regulation on lines built out with public approval. Companies granted build-out rights should be required to wholesale for reasonable prices, perhaps 50% of retail price. A similar system has worked well for most of the last 20 years. Healthy competition has naturally led to "Net Neutrality."

Cruzio is concerned that our customers will lose access to popular sites like Google and eBay if the growing monopolies, which are also content providers, view such sites as competitors and cut off their rights as they have ours. Even worse, small startup Web sites won't have a chance at all.

In our 18 years of business, we have put many non-mainstream people on the Internet. Cruzio teaches basic Internet in Spanish to lower-income people in our area and hires from this area. Cruzio's small business customers have created their own innovative Web sites to sell everything from bakery goods to auto parts. Alas, the consolidation of Internet suppliers may soon limit these businesses to an expensive listing in a preformatted Web site controlled by a monopoly. Jobs, training and innovation will go overseas.



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We respectfully ask that the FCC reconfigure its policies to permit competition in our industry.

Thank you,

Margaret Dolgenos
President and CEO, Cruzio, The Internet Store